

CITY OF HORSESHOE BAY

CITY COUNCIL PUBLIC MEETING AND PUBLIC HEARINGS

November 13, 2007

The Council of the City of Horseshoe Bay held a Public Meeting and Public Hearings at City Hall, located at #1 Community Drive, Horseshoe Bay, Llano County, Texas, November 13, 2007, in accordance with duly posted notice of said meeting. Mayor Bob Lambert called the meeting to order at 3:00 p.m. with a quorum of Council Members present as follows:

Robert W. Lambert, Mayor
James E. Babcock, Mayor Pro Tem
John Bird, Alderman
Claudia Haydon, Alderwoman
Richard Rantzow, Alderman
Jeff Robinson, Alderman

The posted agenda for this meeting is made a part of these minutes by attachment and the minutes are herewith recorded in the order the agenda items were considered with the agenda subject and item number shown preceding the applicable paragraph.

1. Call to Order and Establish a Quorum: Mayor Bob Lambert called the Public Meeting to order at 3:00 p.m. with a quorum present. Mayor Lambert led the pledge of allegiance to the United States Flag and the Texas Flag. Larry Sherwood from the Church at Horseshoe Bay led the invocation.
2. Comments from Mayor: Mayor Lambert welcomed everyone to the meeting and said anyone who wanted to make comments would need to sign the sheet on the podium. He then welcomed Claudia Haydon to the Council. Fire Chief Jim Fiero introduced their newest firefighter, Stephanie Black. Mayor Lambert said the City has a Development Agreement with Skywater which requires they get the City's approval of any signs put in the Development. He has had discussions with the developers and they have requested permission to erect three signs that measure 4'x10' in size which do not comply with the City's sign ordinance. This item will be discussed by the City Council in December or January and in order to help everyone get an idea of what these signs might look like, Skywater has put up a frame of this size west of the post office. Mayor Lambert then read an explanation of the possible Planned Development Ordinance related to the property located at Hwy. 2147, Hi Circle South and Azure. Those comments are hereby attached and made a part of these minutes.
3. Comments from Aldermen: Mayor Lambert asked if any of the Aldermen had any comments. Alderman Robinson stated the City having the ability to manage growth was a major reason the citizens of Horseshoe Bay voted to incorporate since it would also allow citizens to have input on what was built. He said the lot on the corner of Hwy. 2147, Hi Circle South and Azure is already zoned commercial and has been for thirty-

five years and probably at some point there will be a business built there. There is a portion of Skywater on Hwy. 2147 that will probably be zoned commercial. He added that Hwy 2147 has always been viewed as where businesses will be located. He also stated if the City had not incorporated, the citizens would not have any input as to what property was zoned commercial. Alderman Rantzow said he had been approached by a neighbor that would like the City to extend the 45 mph speed limit further west on Hwy 2147. It was recommended that Police Chief Bill Lane would study this and make his recommendation as to how far this might be extended. Alderman Bird stated at the last meeting several of the citizens spoke at the last meeting requesting that the Council work on communicating better what is being considered. He requested that any citizens with suggestions on how to accomplish this to contact him or another member of the Council.

4. Public Comments: Mayor Lambert said there were several people signed up to speak. The first was Gayle Monahan. Ms. Monahan thanked the Mayor and Council for already addressing some of the items she was going to discuss. She discussed the issue of rezoning the lots located on Hwy. 2147, Hi Circle South and Azure. She feels the City could do a better job notifying all residents that are impacted by these type issues not just the ones within two hundred feet. H.P. Langston was the next speaker. He spoke against granting variances and encouraged the Council to attempt to limit the growth in the City. Llano County Commissioner Johnnie Heck announced that Llano County is making a free prescription discount card available to residents of Llano County through their membership in the National Association of Counties. Local area pharmacies do participate. These are available at the precinct office in Horseshoe Bay or at one of the libraries in Llano County. Tom Vortmann was the next speaker. He thanked Alderman John Bird for calling him regarding the rezoning issue. He also commented on the possible rezoning of the lots on Hwy. 2147, Hi Circle South and Azure, stating he is opposed to this due to the precedent it would be setting.
5. Items to be Removed from the Consent Agenda: There were no items removed from the Consent Agenda.
6. Consent Agenda Items:
 - a. Minutes of the October 16, 2007 Public Meeting.
 - b. Final Plats:
 - i. Replat of Tract "CCC", Horseshoe Bay, Plat No. 21.12 and Lot C21005 of Horseshoe Bay, Plat No. 21.2 to be known as Horseshoe Bay Plat No. 21.16, Llano County, Texas (HSB Blvd and 2147)
 - ii. Replat of Lot Nos. 17 and 18-B, Trails End, Section One-A, Llano County, Texas (Christine Circle)
 - iii. Replat of Lot Nos. 19, 20-A, 21-A, 22-A1, 23-A1 and 24-A1 and Reserve Tract 11, The Trails of Lake LBJ, Phase One, Llano County, Texas (The Trails Parkway and Rock n Robyn)
 - iv. Replat of Lot No. W29047-2, Horseshoe Bay West Plat No. 29.12 and Lot No. W29049-B, Horseshoe Bay West Plat No. 29.11, to be known as Horseshoe Bay West Plat No. 29.19, Llano County, Texas (108 Wennmohs)
 - v. Replat of Lot Nos. 10098 and 10099, Horseshoe Bay Plat No. 10.2, to be known as Horseshoe Bay Plat No. 10.5, Llano County, Texas (505 Rawhide)

- vi. Replat of Lot Nos. 60 and 61, Correction Plat of the Trails of Lake LBJ, Phase Two, Llano County, Texas (136 Rock n Robyn)
- c. Adopt New Medical Insurance Plan with Blue Cross Blue Shield of Texas
- d. Renewal of Dental Insurance Plan with Mutual of Omaha
- e. Appoint James A. Martin to Serve on Llano Central Appraisal District Board of Directors
- f. Revised Compensation Policy and Exhibit B to Compensation Policy
- g. Budget Amendment for Transfers from Contract Services and Animal Control Operations Contract Line Items to Appropriate Line Items for the Customer Services Technician Position – Fiscal Year 2008 Budget
- h. General Fund Budget Amendments – Fiscal Year 2007 Budget:
 - i. Transfer from General Fund Aquatic Weed Line Item to the Contingency Line Item
 - ii. Transfer from General Fund Contingency Line Item to Fire Department and Development Services Department
- i. Resolution Amending and Restating Resolution No. RES 07-10-16B of the City of Horseshoe Bay, Texas Approving and Authorizing the Creation of a Public Improvement District to be called the Escondido Public Improvement District within the City of Horseshoe Bay and Providing an Effective Date Thereof

Alderman Rantzow made the motion to approve all the items on the Consent Agenda. The motion was seconded by Alderman Babcock. The motion passed unanimously (5-0).

- 7. General Manager's Report: The General Manager's report is hereby attached and made a part of these minutes.
- 8. Village Square Proposed Development: Discussion Only (Hwy 2147 and 15th Green Drive): The developer, Dan Robbins and the architect Marley Porter showed a presentation of the proposed Village Square. There will be a total of 120,000 to 140,000 square feet, with approximately 60,000 to 65,000 square feet of that in retail. The remaining would be offices and condos. Mayor Lambert stated the Council would begin work on a draft Development Agreement and a draft Utility Agreement. He said they need all the comments from Council and members of the community regarding the development in order to get them to the Council for consideration as soon as possible.
- 9. Public Hearing and Possible Action Regarding an Application for an Amendment to the Zoning Ordinance for a Rezoning from R-1 Single Family Residential for Lot No. 40003-C, HSB Plat No. 40.5 and a 3.87 Acre Tract out of Tract "MM-2", HSB Plat No. 55.1 and from GH Garden Home for Lot No. 40003-B, HSB Plat No. 40.2, Llano County, Texas to GUI, Governmental, Utility and Institutional to allow expansion of the Church at Horseshoe Bay (600 Hi Ridge): Mayor Lambert convened the public hearing at 3:05 p.m. and asked if there were any public comments. There were none and he adjourned the public hearing. Alderman Babcock made the motion to approve the amendment to the zoning ordinance. The motion was seconded by Alderman Rantzow. The motion passed unanimously (5-0).
- 10. First Public Hearing Regarding Annexation of Skywater Over Horseshoe Bay Tracts II and III: Mayor Lambert convened the public hearing at 3:06 p.m. and asked if there were any public comments. There were none and he adjourned the public hearing.

11. First Public Hearing Regarding Annexation of Skywater Over Horseshoe Bay Tract VI: Mayor Lambert convened the public hearing at 3:06 p.m. and asked if there were any public comments. There were none and he adjourned the public hearing.
12. Second Public Hearing Regarding Annexation of Skywater Over Horseshoe Bay Tracts II and III: Mayor Lambert convened the public hearing at 3:07 p.m. and asked if there were any public comments. There were none and he adjourned the public hearing.
13. Second Public Hearing Regarding Annexation of Skywater Over Horseshoe Bay Tract VI: Mayor Lambert convened the public hearing at 3:07 p.m. and asked if there were any public comments. There were none and he adjourned the public hearing.
14. Public Hearing Regarding the Assessment for the Skywater Over Horseshoe Bay Public Improvement District No. 1: Mayor Lambert convened the public hearing at 3:07 p.m. and asked if there were any public comments. There were none and he adjourned the public hearing.
15. The City Council, meeting as the Board of Adjustment, will Conduct a Public Hearing and Possible Action Regarding:
 - a. Texas Heritage Development, LLC requests a 4 foot Variance in the 15 foot rear setback requirement of Section 3.6.2 (c) (3) of the Zoning Ordinance to allow placement of a house 11.06 ft. from the rear property line. (Sky Lane)

Keith Lee, developer of this lot asked that the Council confirm the rear property line is the one that borders the golf course. If this can be done by the Council, there will be no need for the variance. Alderman Rantzow made the motion to confirm that rear property lines are the ones that border the golf course in order to not have to come before Council if there are other similarly shaped lots in the future. The motion was seconded by Alderman Robinson. The motion passed unanimously (5-0).

16. Conduct a Public Hearing and Consideration of Preliminary Plats:
 - a. Replat of Lot Nos. W25024 and W25026, Horseshoe Bay West Plat No. W25.1 to be known as Horseshoe Bay West Plat No. W 25.7, Llano County Texas (202 Big Sky)
 - b. Replat of Tract "HH", Horseshoe Bay Plat No. 40.5, Lot No. 40003-B, Horseshoe Bay Plat No. 40.2 and 3.87 acres out of Tract "MM-2", Horseshoe Bay Plat No. 55.1 to be known as Horseshoe Bay Plat No. 40.50, Burnet County, Texas (600 Hi Ridge)
 - c. Replat of Lot Nos. W35076 and W35077, Horseshoe Bay West Plat No. W35.2. to be known as Horseshoe Bay West Plat No. W35.3, Llano County, Texas (Mountain Home)

Mayor Lambert convened the public hearing at 3:13 and asked if there were any comments. There were none and he adjourned the public hearing. Alderman Rantzow asked if there had been any correspondence from the owner of Lot No. W25025 regarding Item #16.a. Development Services Manager, Eric Winter confirmed the owner of this lot has been notified. Alderman Rantzow made the motion to approve the preliminary plats. The motion was seconded by Alderman Robinson. The motion passed unanimously (5-0).

17. Process to Engage City Manager and consider contract with Water-Oldoni Executive Recruitment: Mayor Lambert said this item is to talk about the process to engage a City

Manager. Council has been provided with a packet received from Water-Oldoni. He recommends a committee including John Bird, Jeff Robinson and himself. They would update the Council at each meeting. He asked that the Council review the packet and also plan to meet with the final candidates prior to the final decision being made. There will be a need to transfer money from the contingency line item in order to pay for this. Alderman Babcock said he agreed with this. After some discussion, Alderman Babcock made the motion to give Mayor Lambert authority to negotiate and finalize a contract for this process. The motion was seconded by Alderman Robinson. The motion was passed unanimously (5-0).

18. Use of Debt in Funding Utility Projects and Resolution to Direct First Southwest Company to Proceed to Issue Refunding Bonds: Mayor Lambert explained the Council held a workshop today at 1:00 pm. with their financial advisor. He said the meeting was very productive and most if not all of the Council's questions were answered at that time. Mayor Lambert stated there is a principal payment due on City bonds December 1, 2007 of \$2.5 million. The City plans on making that payment. This would leave a remaining balance of \$7.5 million which is presently scheduled to be repaid over the subsequent eight years. The Council proposes refinancing those bonds over twenty years. They believe the interest rate will be comparable, perhaps even less and the cash flow requirements for the next four years would be significantly less. Over the next four years cash flow requirements would be approximately \$1 million less per year which would lower significantly the need for tax and utility revenues. Mayor Lambert said there has been a great deal of discussion within the Council over the last two years about the fairness issue of financing projects closer to their economic life rather than funding them in advance. This is a step in that objective and the Council feels this is in the best interest of the citizens of Horseshoe Bay. Alderman Rantzow made a motion that going forward, planned Utility Fund Capital projects in excess of \$1 million be paid by bonds rather than by the accumulation of cash reserves. The motion was seconded by Alderman Robinson. The motion passed unanimously (5-0). Alderman Rantzow made a motion to approve the Resolution to instruct First Southwest Company to proceed to obtain information regarding refunding the bonds. The motion was seconded by Alderman Robinson. The motion passed unanimously (5-0). Mayor Lambert explained First Southwest will obtain bids and will present this information to the Council at the next meeting regarding offers that have been received to purchase these bonds. At that time the City Council will decide whether to actually refund the bonds.
19. Meeting Schedule for 2008: Alderman Rantzow made the motion to approve the meeting schedule as written. The motion was seconded by Alderwoman Haydon. The motion passed unanimously (5-0).
20. Election of Mayor Pro Tem: Mayor Lambert stated that Jim Babcock has served as Mayor Pro Tem since the City incorporated and he has agreed to continue in this capacity. Alderman Robinson made the motion to elect Alderman Babcock as Mayor Pro Tem. The motion was seconded by Alderman Bird. The motion passed unanimously (5-0).
21. Election of Chief Information Officer: Mayor Lambert said Jeff Robinson has agreed to serve in this capacity again. Alderman Rantzow made the motion to elect Alderman Robinson as Chief Information Officer. The motion was seconded by Alderwoman Haydon. The motion passed unanimously (5-0).

22. Adjournment: Alderman Rantzow made the motion to adjourn the meeting at 4:27 p.m.
The motion was seconded by Alderman Babcock. The motion passed unanimously (5-0).

APPROVED this 11th day of December, 2007.

/S/
Robert W. Lambert, Mayor

ATTEST:

/S/
Toni Vanderburg, City Secretary